URGES RECIPROCITY

A. A. Preciado Points Out Way for United States to Increase Trade.

GOOD INVESTMENTS OPEN

European Countries Enjoy Many Advantages Through Making Loans Freely.

By A. A. PRECIADO.

ly written for the Latin Ameri can Section of Tun Sun. writer remembers how in Cali the mountaineer woodsman drop down into the valley at the proach of each winter with a load of ood for sale to the dealers. Instead returning to his mountain home with of returning to his mountain bome with an empty wagon the mountaineer teamed back a wagon load of provisions that would serve as his winter's supply. These provisions were bought out of the money he received from his wood. This transaction continues from year to year with clocklike regularity. The people in the valley must have their wood; the mountaineer must have his flour and coffee and sugar. It is an exchange that benefits all parties to the transbenefits all parties to the trans-

Must Buy to Hold Market.

quality of American manufacthe punctual shipment of orders ne extension of liberal credits will America and justify the absorpof a tremendous amount of business, but in view of the success of other nations along different lines in the same territory it seems that the American business men must do more than sell goods and collect money from their foreign customers. This statement refers to the necessity of foreign investments. We must not only sell, but we must buy as well, whether it be merchandles or securities.

chandles or securities.

The most successful exporting nation in the world before the war—Great Britain—built up her gigantic traffic in merchandise over the foundation of foreign investments. The United Kingdom before the war always kept a billion dollars in reserve ready to rush to ion dollars in reserve ready to rush to the assistance of some country needing cash for internal improvements or other enterprises. There isn't a country in South America where British capital has failed to obtain representation in some form or other. Why has Great Britain maintained its great trade with the Argentine Republic? When it is known that the United Kingdom has invested over \$2,000,000,000 in Argentine alone the waver should be simple. England's the answer should be simple. England's investments alone amounted to \$800,000,000. The advantages in foreign investments may be seen from the following figures showing Argentine's pur-chases from England and the United for four years:

1913. 1914. 1915. 1916. \$139.397,811 \$102,149.494 \$144,872,021 \$159,755,501 United States—

works and the great number of enter-prises in which British capital was in-vested—all required supplies from time to time. These supplies were purchased in the country from whence the capital

German Capital Also Active.

Not alone in Argentine has Great Britain made large investments. In the Republic of Chile one will find induspment in many lines encout British pound sterling. Tel systems in many cities are con trolled by British capital. Where do the supplies for these industrial enter

Germany's establishment of branch banks in South America was merely the forerunner to the investment of cap-ital in enterprises. German capital before the war financed hundreds of en-terprises. This served as the seed out which grew that tremendous South merican trade for the once powerful

Before the war the French held Arentine securities to the amount of near-y \$300,000,000. It was French capital bat operated the tramways and electric service of Buenos Aires. Three of the great railways were practically owned by French capital. French en-gineers under the guidance of French capital constructed some of the princi-

producing a delicate throb at the present time, it is doubtful if capital from that continent will be able to pour into South America with the freedom that characterized its present time that continent will be able to pour into the characterized its present time that continent will be able to pour into the continent will be able to the continent will be

the present time inaccessible for or-dinary commercial purposes. Peru is rich in water falls, whose water power is needed to ald the country's infant manufacturing industries. Not only is

the country rich in minerals and agri-culture, but her timber resources are practically untouched. In the north and cortheast of Peru lie her wast forests which have not yet reached the bark of the woodsman's axe. Some day capital till utilize this timber for world conill utilize this timber for world con-

country representatives o

lic while the other will give the country a connection between the Pacific and the Atlantic oceans. Upon the completion of this line it will be possible to reach Buenos Ayres by rail from Arica on the Pacific coast through La Paz and over the Central Argentine Railroad to the Argentine capital. The floating of this loan in the United States will mean that American engineers will construct the road and that the necessary supplies will be purchased here.

Trade Follows the Loan.

atrengthened commercial relation-They must convince the American people that investments in their countries will be fully appreciated. They must conduct campaigns of education in this country unfolding the true story of their resources and the multiplicity of opportunities awaiting the arrival of American money.

American money.
It is difficult to find an investor who

far away."
Now in order to overcome this mental attitude it will be quite necessary for American interests as well as South Americans to conduct an intelligent campaign of education so that the prejudice of distance, language and different customs and laws may not influence American investors against lending a hand to perfectly legitimate enterprises of which there are many in South Amer-

CHILEANS PIONEERS

Production of Silver and Tin Notable Contributions in Recent Years.

Specially written for the Latin-American Section of THE SUN.

In claiming the title of industrial pioneers of South America, Chileans certainly have made a good showing in what they have done, first for their own nitrate industry and later for the mining industries of Bolivia. Here are located some of the richest silver deposits of the world, the farmous mines of Potosi and Oruro that provided for the King's treasury when Spanish galleons were tempting the English and Dutch Alibusters of the sixteenth century.

sources of wealth. Some of these mines, as Lialiagus, Oruro and Pulcaye, have their board of directors in Chile, and deals in the mining stock of these and other companies are generally made in Santiago and Valparaiso. The value of the Huanchaca mines is estimated to be in the neighborhood of \$10,000,000 tin gold.

Of all its products, tin is the mineral that leads in the preduction of Bollyis.

that leads in the production of Bolivia as one of the industrial factors of the world. As a tin producer Bolivia ranks only second to the Straits, and Chileans are responsible for the largest portion of the production, 26,000 metric tons (2,205 pounds to the ton) in 1915. In order to give life to the mining in-dustry in Bolivia, a railroad was con-

gineers under the grape of the principal ports of that country. Her investigal ports of that country. Her investigating and to the grape industry in the Sierras, over four hundred miles of desert. This line, first completed to Oruro, now reaches La Pas, while another more direct line built by the Chil-

characterized its pre-war activities. In Bolivia by reason of its altitude, the Germany is helpless for the present; In Bolivia by reason of its altitude, the France must conserve her resources and Fagiand must follow a similar course. The United States to-day is in a position of the cost of transportation, make greater the difficulties the wonderful mineral resources of Bolivia have

South American	Exch	ange
(Furnished by the Natio		Bank
of New York.)		De
	Cables.	mand
Argentina (gold)	98.00	97.75
Argentina (currency).	43.13	42.87
Brazil (milreis)	27.70	27.55

RGES RECIPROCITY the Bolivian Government endeavoring to negotiate a loan for \$12,000,000 for the construction of railroads in the country. One of these lines is simed to tap the rich agricultural belt of the republic while the other will give the country and the parties of the republic while the other will give the country and the parties of the parties and the parties are parties and the parties and the parties are parties are parties and the parties are parties and the parties are parties and the parties are parties are parties and the parties are parties are parties are parties and the parties are parties are parties and the parties are parties are parties and the parties are parties are parties are parties and the parties are parti OF RACES, LIKE THE U.S.

Country Is Developing a New National Type-Democratic Society Is Being Formed Slowly-Beauty of Home Life Described.

Genoa and Lisbon, to which they make frequent voyages with their husbands, bringing home the latest thing in styles.

both for dress and the ornamentation

Spanish, and often in English, in addi-tion to the native Portuguese. It has been stated by writers, who are

This elevated grade of appreciation

and culture is said to be limited to per-haps a few hundred families of wealth and old traditions—a somewhat detached

and segregated aristocracy of intellect and training existing at the apex of Bra-gillan society; below there is as yet no great middle class of population to re-

Middle Class Forming.

eive male callers alone, to dance at balls

Women and Athletics.

Life generally in the country, strange as it may seem, is lived less in the open than in many northern cities. Women

the loan in the United States will mean that American engineers will construct the road and that the necessary supplies will be purchased here.

Trade Follows the Loan.

Chile is now engaged in municipal improvements and in the construction of highways in which she, like other South American countries, has been at the supplier of her water power, her mineral and agricultural resources, is dependent on the available capital for such purposes.

Chile like Peru, is rich in natural resources, most in extensive forcests. There is plenty of wood pulp in these forests for the establishment of paper mills.

It is the old saying that trade follows the flag, but it is more appropriate to state that trade follows the flag. But it is more appropriate to state that trade follows the flag. But it is more appropriate to state that trade follows the flag. The South American capital invested one is sure to find a healthy exportation of American made articles. The South American countries, however, must do their part in bringing about this strengthened commercial relations with them.

By CLAYTON S. COOPER,
In these days when so much is being call relative to trade and maritime matters connecting the United States. This has been more or less inevitable in and Brazil it is of no small importance of home life she rules, and also shines. This has been more or less inevitable in and country where for many generations women have had no part in the outside life of business, politics or social move-with whom we are creating new bonds of business, politics or social move-with whom we are creating new bonds of business, politics or social move-with whom we are creating new bonds of business, politics or social move-with whom we are creating new bonds of business, politics or social move-with the home life of the people life of business, politics or social move-with the home life of the people life of business, politics or social move-with the fine of the people life of business, politics or some have had no part in the outside life of bus

pared with English or Teutonic peoples. Moreover, the Portuguese, who gave Brazil formative principles, were more truly the copyists of Roman civilization than any other European stock, and the Romans were famous for their slight attention to the home. Yet Portugal has been ever a land of homes, and her New World Brazilian daughter has inherited the instinct. It is a land placing great emphasis on family life.

American money.

It is difficult to find an investor who will put his money in a proposition in a country he knows little about. Some would involve travel with an empty magon and the loss of considerable time and in time the loss of the patronage of the dealers of the first city.

Ordinarily the same principle is involved in export trade to South America. Each year we ship millions of dollars worth of manufactured articles to the various countries of the Southern continent and theoretically our ships should return with a full cargo in order to maintain a trade balance that would justify future growth of commerce. We cannot afford to have an excessive favorable trade balance if we wish to encourage purchases in our home market. An excessive favorable trade balance ordinarily raises the cost of dollar exchange.

Must Buy to Hold Market.

American money.

It is difficult to find an investor who will put his money in a proposition in a country he knows little about. Some years ago a wealthy Western cattleman was approached by an American who had just returned from Argentina or a subject like Brazilian home life, for the subject of an investment in a cattle land proposition in northern Argentina.

The proposition was sound enough but land proposition was sound enough but a cattle land proposition was sound enough but land proposition was sound enough but a cattle land proposition was sound enough but a cattle land proposition for me right just as you say, Brown," he said, "but I'll tell you some thing. If you have got a nice cattle where I can lay my hands on it, I'll light to you because I know you, but worked to you but the cattle was you say, where I can lay my hands on it, I'll light to you because I know you, but worked to you be a cattle when you come to me with a proposition that will send my the following proposition was

of the violac.
Should one be just to the many sided home and social life of this gigantic country, he must needs write also of the occupations of the gaucho, or Brazilian cowboy, living his daring and picturesque existence in a world apart on the south-ern interior plains; then there is the important section of Brasilian society best seen in its original home in the State of Minas—the fazendeiro, or cal-pira, as he is sometimes called, the coun-try magnate whose wealth is his broad plantations, and who lives also more or less isolated with his family, constituting his own kingdom, independent and free his own kingdom, independent and irec and hospitable as was any of our old southland planters, or any mediswal baronial lord. It is this land -holder class that makes a strong appeal to cung and old Brazil alike.

Aristocracy of Brazil.

This king of the land and horses and wide distances fascinates and calls forth semething inherent in the Brazilian character. The country is first of all an agricultural domain of colossal area, and the fuzendelro still holds in his hand the nation's key. Of him one has said. "Such authority as he knows has van-ished perhaps from the greater part of the world; but in Brazil it rules ished perhaps from the greater part of the world, but in Brazil it rules uncuestioned, forming a powerful bond between the soil and its owner.

"In his powerful soiltude the land owner indulges in his love of intellectual

culture; he inclines toward philosophy; he possesses a certain natural eloquence. This Brazilian aristocracy enjoys political as well as social power. They form the structure, the framework of all party politics; they are its strength, its very life; it is they who govern and administrated by the politics; they are its strength, its very life; it is they who govern and administrated by the politics. These enterprises were justified by the gether with other reforms of our North-life; it is they who govern and administrated by the politics. These enterprises were justified by the gether with other reforms of our North-life; it is they who govern and administrated by the produced. Fambus Players, for a contrest in Allo, Daniel culture; he inclines toward philosophy;

and at the same time the compulsory work of the Indian was abolished, the old mines hid waste for year after year, since the severeness of the climate, due to the rarified atmosphere and the intense cold of the tableland 15,000 feet above sea level, does not permit the work of but the strongest people.

Then Chileans came as explorers and promoters of mining enterprises and took the work just where the Spaniard had left it when many veins of silver grew scarcer; and the less valuable metal, the copper, the tin and the lead were worked in its place. And following Chilean capital went to supply the necessary means for the exploitation of new sources of wealth. Some of these mines, as Lialiagua, Oruro and Pulcaye, have

On beginning to ask questions one finds himself entangled in an intricate maze of fusions between Portuguese and Brazilian - Portuguese, foreigners and Brazilian-foreigners, Brazilians who are ether and Brazilians, and Brazilians who are ether and Brazilian-foreigners, Brazilians who are responsible nost to do the honors to the Brazilians, and Brazilians who are ether trials nologically choocies, or mastizes, or sertaces; or Brazilians who locally or historically are Paulistas, German-Brazilians, or sons and daughters of a half with special dishes of their own making. a dozen foreign races or nations, who are Brazilians because they were born

in Brazil. The visitor freshly landed and plunged suddenly into this diverting congeries of human, national and racial amaigamahuman, national and racial amaignma-tion, is inclined to sympathize with the probable enlightenment of Col. Roese-veit, who is reported to have inquired of a sea captain concerning the popula-tion of a certain West Indian island, when the old sea dog replied: "Well, there are some Spanish, a few French, some Portuguese, a few Dutchmen and about ten other nationalities that God Almighty never intended."

The United States to-day is in a position to extend financial assistance wherever the nature of the enterprise justifies a safe investment. Not only South America, but the entire world is looking to us to-day with the deepest interest in our programme of financial extensions.

In South America alone there are untimited opportunities for development of backwood sections with American capital. The potential riches of Ecuador, for instance, lie cormant for the lack of money to bring out the most valuable value have been located in Inquisive batter power and the construction of highways.

In Peru American capital can find considerable work to do. Peru's wealth is mineral resources are practically unknown. Her mining industry needs development. Irrigation systems must be constructed in order to place her agriculture on a solid basis. Peru, like other countries of the west coast, needs railroad extensions to tap rich sections at the present time inaccessible for ordinary commercial purposes. Peru is rich in water falls, whose water power is needed to aid the country's infant manufacturing industry needs deviced to aid the country's infant manufacturing industrys. Not only is

Knowing its ingredients, one is not surprised to find in its members at the mit of society the qualities of imagion, intuition, courtesy, alertness of mind, sentiment, a conservatism that is Eastern, a love of beauty that is Latin.

Any concrete description of a home of the better class is a biography of the as well-as to the capacity of the and characteristics of the Brazilian women as home makers.

CHANCE TO DEVELOP EXPORT OF FILMS!

South American Market Open, but Europeans Will Seek Old Trade.

FOOTHOLD THROUGH WAR

French and Italians Now Are Eager to Recover Business Which Lapsed.

By LESLEY MASON, Editor of the Exhibitor's Trade Review Specially Written for the Latin American Section of THE SUN.

American motion pictures are entitled, on their merits, to a splendid future in South America. The future lies before them, guaranteed by the favor they have found with the South American theatregoing public during the past four years.

But the American motion picture will not realise that future without a severe competitive struggle. Whether it is victorious in that struggle or not will depend entirely upon the enterprise and commercial adaptability of the American motion picture executives.

both for dress and the ornamentation of their homes.

Such women, like all the feminines of these parts, take readily to languages, which they have learned at an early age (the only satisfactory way really to acquire foreign tongues) and it is common for the linguist to be able to converse with the intelligent, witty lady of the higher circles in French, Italian. Spanish, and often in English, in addiotion picture executives. These statement undoubtedly demand a detailed explanation for the general

reader.
When the war broke out in 1914 South America, which had been entertained in its cinemas very largely by French, Spanish and Italian productions, was abruptly cut off from its source of supply.

Up to that time American photoplays frad been an incident in the South American market. This was true notwith-standing the flamboyant claims made by perhaps more gallant than strictly truthful, that the Latin American women are more intellectual and well informed generally than the men. Be that as it may, one finds many scores of homes throughout the country where the grade of culture, the knowledge of Perture and Franch literature the several American concerns as to the popularity of their productions in the southern continent.

Such American pictures as had found of homes throughout the country where the grade of culture, the knowledge of Portuguese and French literature, the acquaintance with art and music, and the inherited love for the beautiful, expressed variously in the collection of rare bric-a-brac, choice paintings, well modulated arrangement of flowers, and the presence of color, betoken a type of civilization difficult to surpass in any country.

This elevated grade of appreciation

Such American pictures as had found their way to Argentine, Braziliah and Chilean screens, at irregular intervable, and received a hearty welcome from the Latin American devotees of the silent thress productions had no regular inlet into the South American market; various circumstances militated against them: the European firms controlled the main avenues of approach and the American refused to make commercial concessions which would have, in many instances, which would have, in many instances allenated the South American buyer from the Old World producers to the Nor American makers of a better product.

The outbreak of the war paralyzed the producing energies of the French, Brit-ish and Italian motion picture industries and left America the supreme if not the lieve an abrupt descent to the more mediocre and even illiterate proletariat world. Spain was a lame and inconse-which forms the democratic substratum of the nation.

American Films a Necessity.

While this is probably the case, stated It was only natural that before many It was only natural that before many months had elapsed the South American buyers should have turned to the United States for productions with which to keep the cinemas in operation. It is not to be supposed that they did this immediately. They took American pictures in most cases as they needed them and only because they needed them. This statement is made with the full realization that there were in every South broadly, my observation leads me to be-lieve that there is at present a distinctly marked middle class in the process of formation, made up of the new wealth and progress of the awakened commer-cial Brazil, and that throughout the entire social order there are evident the traits of gentility and sentiment, woven inextricably into the Portuguese-Moorish-Brazilian nature. It is significant, moreover, for the future of this country, that the ideals which the people have enthroned in their hearts at the last are those informing the refined and tion that there were in every South American capital progressive and dis-criminating distributers of film who saw

try, that the ideals which the people have enthroned in their hearts at the last are those informing the refined and tasteful apostles of culture, who are the leaders in political and social matters, rather than the lower aims of milreis and militarism, which have all too potent influence in some other nations.

Brazilian women are not only nice to look at and intelligent conversational.

Brazilian women are not only nice to look at and intelligent conversational. ists; they are furthermore "the mothers of men." It is a land of large families, eight and ten children being no exceptional thing in a Brazillan home. The upbringing of children is not attended with any superfluous modern fads, and even to the superior twillight steen, birth control, for the went so far as to open branch offices in Rio, Buenos Ayres and other upbringing of children is not attended with any superfluous modern fads, and even to the south of the superior will be superior twillight be superior twillight be superior to the south of the superior and the superior that th

Sizes and the great number of enterwork of the Indian was abolished, the

| 180 miles 180 mile

tion pictures are new available to South Americans, either through branch offices America. For the most part they are enloved by South American audiences, who preciate quality as keenly as theatre patrons anywhere else. There is no fundamental reason why the photoplays of the United States should not continue to en-joy the vogue they have attained. But the war is over-until further

American pictures are or soon will be—no longer a necessity. Production is reviving rapidly in most of the Euro-pean countries which were producing be-fore the war. The French, Italian and Spanish producers must have foreign are to recover the money they must put into them to keep them up to the standard of quality.

They remember vividly the the South American and other foreign markets before the war, when their the American film was just crossing the

They are keenly aware of what has ranspired during the last four and a half or five years; they realize that the Although, as has been hinted, the ladies in the clite classes of the two largest cosmopolitan centres. Rio de Janeiro and Sao Paulo, are now rapidly South American slipped away from has been the bountiful provider of a line of motion pictures that has actaking on European customs, in general the old traditions prevail, making it im-possible for ladies, young or old, to rearity.

Nevertheless the European producer after marriage with any men other than their husbands, or to be seen on the street or at public functions without escort. The woman of the home lives a circumscribed life that would seem win back their former position. Some are sanguine enough to believe they can put the Americans to rout. Others probably the majority-expect nothing better than an even division of the martet with the United States.
In some of the important centres—notheir children, and, like the women of tably Buenos Ayres-the battle has al-

the Orient, seem quite eager as the men to maintain the cherished feminie isola-tion. There are probably no women more virtuous or faithful to their marready begun and the dealers in Ameri-can pictures are beginning to feel the riage vows in any nation than the women effect of the oneinught. Do the American makers of motion

and as it is developing? What Americans Overlook.

There are many reasons to believe they do not. The principal one is that the American is not as closely in touch have not yet entered to any great extent the outdoor arena of athletics. The pub-lic participation in athletics and the swimming contests in which women of

Remarkable Increase In America's Trade With India

DIRECT SHIPMENTS FROM INDIA to the United States during the 1918 fiscal year were nearly seven times those of the year previous and more than eight times the pre-war average. Half of the import trade , with the United States was made up of iron, steel and mineral oil

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Broadway-Opposite CityHall

and speaks the language of the South him. So does the European maker and aging.

American, as the Yankee does not. The advertiser of the picture. The consecurity and this simply bewilders the European ways are the ways of the Arquence is that there is a perfect "meet-American. He does not understant." the American is not as closely in touch insurmountable difficulty. It can be with the foreign market as is his Euro-overcome and neutralized. The Ameripean competitor. He has never taken can is an adaptable person, an individual the foreign market as seriously as the European, principally because he has the trouble. Up to now he has not

swimming contests in which women of foreign market as seriously as the foreign market as seriously as the foreign market as seriously as the foreign country clubs seem somewhat shocking to the national feminine sense. There are fewer social problems than with us in the United States; if they have them, the people do not seem to know the Life flows along comparative ly easily; the climate prohibits over extremousness, and there are no sanitariums for broken nerves. The Government is comparatively free from serious outbreaks and no revolution of any importance has occurred in the medical proposal of the makers of American advertise of the American as the best of the American as the seem—in the motion picture world at the color, though he may be a well-as the davantages to be gained from the conting the content of the United States is trying to converse that he does the American advertise convinced that he does the American advertise of the United States is trying to converse that he does the American advertise of the United States is trying to converse the sense to be as simple and as concise of the United States is trying to converse the United Stat

European ways are the ways of the Argentine, the Brazilian, the Chilean, the Eundorian, the Peruvian, the Veneguelan. To these people the American is a stranger, while the European is an old acquaintance, to say the least often a tried and trusted friend. There is a "simpatia" between them that does not understand the production, a scene from the production, the name and the address of the concern dealing in it, and if a second page is used) cuts of the picture in player or players and perhaps another scene from the picture.

Let it be understood that this is no insurmountable difficulty. It can be seen from the picture.

The whole is arranged in a form that is arrigite, striking and easily counters. principal player or players and perhaps another scene from the picture. The whole is arranged in a form that is artistic, striking and easily comprehended. Great variety is employed in the dressing of such an advertisement by different companies, but the basic elements are nearly always the same.

doing business in the motion field with South America. It pro knows what he is doing when he the South American market through a mirror, while his Furnpean contemporary has found the window

t rests with the American manufacture America will never realize their fuller fensive against the onelaughts of Puro

pean producers. That is why they are